NOAA CFS
Reimbursable Agreements Module
Refresher Training

February 2006

Agenda

✦ **Overview**

✦ **CFS Reimbursable Process**

  ➢ **Review of Reimbursable Forms**

  ➢ **Business Rules & Issues**

  ➢ **Process Flow**

  ➢ **LO Responsibilities**

✦ **Recording & Modifying Reimbursable Agreements**

✦ **WIP Billing Process & Unmatched Costs**

✦ **Carryover Process**

✦ **Reimbursable Sales/Fixed Fee Projects**

✦ **Reimbursable Update – Reports, Help Desk, Web Page**

✦ **Questions/Discussion**

Training Objectives

✦ **Understand Reimbursable Business Rules**

✦ **Understand Reimbursable Process Flow**
  ➢ **Reimbursable Agreements**
  ➢ **Reimbursable Sales/Fixed Fee Projects**

✦ **Define Line Office Role in Managing Agreements**

✦ **Record & Modify Reimbursable Agreements**

✦ **Record Temporary Work Authority (TWA) for Advance Agreements Agreements**

✦ **Request Reimbursable Allotment/Unfilled Customer Order (UCO)**

✦ **Navigate/Query Reimbursable Agreement Data**

✦ **Understand Work In Process (WIP) Billing Process**

✦ **Understand Reimbursable Carryover Process**

Reimbursable Forms

✦ **Project Code Request Form**

✦ **Customer Profile Form**

✦ **Reimbursable Project Allotment/UCO Request Form**

✦ **Reimbursable Project Carryover Certification Form**

Forms are available in Section 13 of the Reimbursable Agreements User Guide and on the CBS Web Page:
www.corporateservices.noaa.gov/~cbs

Reimbursable Business Rules

✦ **Defined to ensure that all users are establishing reimbursable projects projects and recording/processing reimbursable transactions correctly correctly and consistently**

✦ **Agreed to by Line Office, Budget, and Finance representatives**

✦ **Grouped into six categories relating to**

➢ **Project Set-up And Maintenance**

➢ **Temporary Work Authority**

➢ **Reimbursable Agreements**

➢ **Reimbursable Sales/Fixed Fee Projects**

➢ **Allotments And Unfilled Customer Orders**

➢ **WIP And Billing**

4

Project Set-up And Maintenance Business Rules

✦ **New projects established by the Budget Office based on LO submission of Project Code Request Forms**

✦ **Non-Federal projects require a waiver from the Budget Office to be Non-Advance (Fund Code 7)**

✦ **Other non-Federal projects require an advance (Fund Code 5 or 6)**

✦ **Projects cannot mix Advance and Non-Advance funding**
   ➢ **Agreements with both advance and non-advance funding require two projects and two RADG002 transactions**

✦ **Existing projects with cost overruns at the end of the FY 2004 required required new projects to be established for new agreements/customer agreements/customer orders in FY 2005**
   ➢ **Some of these still exist and will need to be resolved**

✦ **Accounts Receivable Branch in Germantown will be responsible for setting setting Project -Task flags on the CM004 Project Code Maintenance Screen to to stop accepting costs when agreements expire or projects have cost overruns overruns**

Temporary Work Authority (TWA) Business Rules

✦ **Use standard TWA No format on RADG002 Agreement screen**
  - ➤ **Format: TWA-FY-LO-FMC#01 (sequential Number)**
  - ➤ **Example: TWA-2005-06-02#01**

✦ **Convert to formal agreements within 6 months**

✦ **Unfilled Customer Orders for TWAs remaining at the end of the fiscal fiscal year will not be carried forward to the next year**

✦ **For TWAs active in the system prior to year end:**
  - ➤ **Line Offices must move any allocated costs to a related direct project project**
  - ➤ **Budget Office will reduce the Unfilled Customer Order to zero**

Reimbursable Agreements Business Rules

✦ **LO routes reimbursable agreements through their Finance billing contact prior prior to formal acceptance for verification of fund code, project type, and billing billing terms**

  ➢ Finance identifies any required changes and provides the customer/contact numbers numbers required for recording agreements in CFS

✦ **LO with primary responsibility for an agreement records the data in CAMS and and monitors the status**

✦ **Agreements can only be recorded to one fund code**

  ➢ Agreements cannot mix Advance and Non-Advance funding

  ➢ Agreements with advance and non-advance funding require two projects and two RADG002 transactions

  ➢ Use the following Project Types for WIP projects

    » Funds 05 & 06: REIMBA

    » Fund 07:   REIMBW

✦ **LO submits a Customer Profile Form to Finance to establish a new customer and/or contact record to process an agreement**

  ➢ Finance is responsible for establishing customers/contacts and notifies the LO that the that the customer record is available

7

Reimbursable Sales/Fixed Fee Projects Business Rules

✦ **Reimbursable Agreements will not be recorded in CFS for for Reimbursable Sales/Fixed Fee projects**

➢ **These projects may be Advance or Non-Advance, and may or may not may not have formal contracts or agreements**

➢ **Identified by the following Project Types:**

» **Fund 06:** *SALEB6, AOTHER, CMP, or GSARNT*

» **Fund 07:** *SALER7* or *ROTHER*

➢ **Identify correct project type on Project Code Request Form**

» **WIP flag = N**

✦ **Customers are billed based on a fixed price for a product or service, not not on actual accrued costs**

✦ **Follow procedures for changing projects from WIP to RSFF RSFF**

Unfilled Customer Orders & Allotments Business Rules

✦ **Budget Office is responsible for recording both Unfilled Customer Orders (RADG003) and Allotments (FM063) in CAMS**
  ➢ **Order transfers will be handled by Finance**

✦ **Funds control for reimbursable funds will be based on Allotments and and will be set at the Project and Line Office/FMC (Org 2) level**

✦ **LO with primary responsibility for an Agreement/Project will be responsible for requesting the Unfilled Customer Order and Allotment Allotment**
  ➢ **Line Offices will use BOP process to transfer funding to participating participating LOs**

✦ **Unfilled Customer Orders will be recorded based on the Reimbursable Reimbursable Allotment/UCO Request Form**
  ➢ **Represents funding obligated by customer**
  ➢ **Recorded at 1st level (LO) of the Organization Code**

Unfilled Customer Orders & Allotments Business Rules *(cont'd)*

- ✦ **One Unfilled Customer Order is recorded per FCFY for each agreement agreement or RSFF Project**
  - ➢ **Changes in funding are recorded as modifications to Order**
  - ➢ **For agreements, Order No = 2004-01, 2005-01, 2006-01, etc.**
  - ➢ **For RSFF projects, Order No = 2006-LO-Project-01**
    - » **Unfilled Customer Orders for Reimbursable Sales/Fixed Fee Fee Projects may be entered using generic commercial customers established by the Finance Office**

- ✦ **Carryover Unfilled Customer Orders & Allotments**
  - ➢ **Fund 06 (multi-year advances) -- Based on cash balances at the end of end of the fiscal year and Period of Performance end dates on agreements**
  - ➢ **Fund 07 (non-advance) -- Based on the balance of funding authority authority remaining at the end of the fiscal year and Period of Performance end dates on agreements**
  - ➢ **Automated carryover process is being used in FY 2006**

10

Unfilled Customer Orders & Allotments Business Rules (cont'd)

✦ **Allotments for Current Year Funding (New, Increase, or Decrease)**

➢ **Projects with Non-Advance Agreements**

» **Based on Reimbursable Allotment/UCO Request Form**

» **Requires a copy of Reimbursable Agreement Acceptance Notification Form (printed from CFS)**

➢ **Projects with Advance Agreements**

» **Requires Reimbursable Allotment/UCO Request Form and copy of copy of Reimbursable Agreement Acceptance Notification Form Form (printed from CFS)**

» **Recorded after Advance is collected**

➢ **Reimbursable Sales/Fixed Fee Projects (regardless of fund)**

» **Based on anticipated reimbursements**

» **Requires Reimbursable Allotment/UCO Request Form only**

WIP and Billing Business Rules

✦ **Reimbursable bills and collections for WIP projects cannot cannot be recorded until RADG002 agreements and RADG003 orders are approved**

✦ **Accounts Receivable Branch in Germantown is responsible responsible for executing the WIP Cost Allocation Process Process and WIP Billing Compilation Process**

✦ **Bills and collections are recorded by the Finance Office using only the first level (LO) of the organization code**

✦ **Line Office users are responsible for researching and resolving unmatched costs**

Reimbursable Process Flow

Establish Reimbursable Project & Unapproved Agreement

Budget Office   **Line Office**   **Finance Office**

Receive RA request & send unaccepted copy to Finance → **AR070/71** Verify Fund Code, billing terms, Project, & Customer set-up

New customer/contact? — Yes → **AR070** Establish Reimb Customer/Contact

No ↓

Notify LO of necessary changes to RA & Provide Customer/Contact #

← Make changes to RA per Finance request & officially accept RA

CM004 Establish Reimb Project ← Submit Project Code Request form to Budget ← Yes — **New Project-Task?**

No ↓

RADG002/106 Establish RA (Leave Unapproved) & print Acceptance Notification

Approve Agreement & Establish Allotment/UCO

Budget Office   **Line Office**   **Finance Office**

Forward Allotment/ UCO Request, Acceptance Notification & RA to Finance

RADG002
Review & make any necessary billing changes

RADG002
Enter changes and approve

Yes   Additional updates by LO?   **No**

Notify LO to approve RADG002

RADG003
Establish UCO & notify LO via CFS

Submit Allotment/ UCO Request & Acceptance Notification to Budget

FM066
Establish Reimb BOP

FM063
Establish Allotment

Incur Reimbursable project costs

Reimbursable Billing Process

Budget Office   **Line Office**   **Finance Office**

RADG003
Establish UCO &
notify LO via CFS

Advance**?** — **Yes** →

No ↓

FM063
Establish Allotment

AR001/002
Create Advance bill

AR006/AR007/ AR008
Collect Advance

Incur Reimbursable project costs

RADG004
Run WIP

FM066
Establish Reimb BOP

Resolve unmatched cost issues

RADG109/RADG005
Print WIP Results Report. Review, modify (if needed) and approve WIP

RADG107
Print Unmatched Cost Report and research unmatched costs

Notify LOs that WIP was run and Unmatched Cost Report should be reviewed

RADG006
Generate bills for AR module (Offset Advances)

AR001/AR002
Approved bills ready for customers

RADG110
Generate WIP Billing Report & Print bills

AR006/AR007/ AR008
Process collections (non-advance)

16

Line Office Responsibilities

✦ **Define internal LO RA business rules and process flow**

- ➢ **Communicate to FMC end users**
- ➢ **Users negotiating agreements should understand funding and billing billing requirements**
- ➢ **Do not continue to use projects that were overrun at Oct. 1, 2005**
- ➢ **Consider impact of SLTs on billing**

✦ **Ensure that end users follow defined RA process flow**

- ➢ **Finance should always receive and approve forms and transactions before they are sent to Budget**
- ➢ **Route all new funding documents through Finance, not just long term term agreements for MOUs**
- ➢ **Request new projects after Finance reviews unapproved agreements agreements**

17

FY 2006 Changes

✦ **Changes to reimbursable processing have been proposed for proposed for sometime in FY 2006**

  ➢ **Finance will review and approve all reimbursable Project Code Request forms and forward to BEX**

  ➢ **BEX will continue to establish new project codes**

  ➢ **Finance will review and approve all Project Allotment/UCO Request forms and forward to BEX**

  ➢ **Finance will record Unfilled Customer Orders**

  ➢ **BEX will continue to record allotments**

  ➢ **Finance will continue to bill and collect**

✦ **Changes will not be implemented until Finance has adequate staffing for increased workload**

  ➢ **Users will be notified when to begin new procedures**

18

Scenarios

Commerce Business Systems (CBS)

Achieving Excellence in Financial Management

- ✦ **Temporary Work Authority for Advance Agreements**
- ✦ **Advance Agreements with Incremental Checks**
- ✦ **Modifications and Administrative Changes**
- ✦ **Agreements with Advance and Non-Advance Funding**
- ✦ **Reimbursable Sales/Fixed Fee**
  - ➢ **Allotment/UCO Request Form**

19

Reimbursable Billing Process

Reimbursable Billing Process

✦ **Advance bills are issued upon receipt of Allotment/UCO Request Form Form per instructions**

➢ **RADG002 Agreement and RADG003 UCO must be approved**

✦ **As part of each month end closing process, Finance:**

➢ **Executes RADG004 WIP Cost Allocation Process**

➢ **Makes any necessary changes on RADG005 WIP Allocation Modification and Release Screen**

» **Can move costs between agreements on a project**

» **Can hold billing if necessary**

➢ **Executes RADG006 WIP Billing Compilation Process**

➢ **Prints WIP bills and billing statements**

✦ **Finance reviews WIP bills and Reimbursable Billing Report**

➢ **Bills can be cancelled and/or manual bills recorded**

Reimbursable Billing Process (cont'd) (cont'd)

✦ **No bills will be issued in excess of UCO balance**

✦ **Finance notifies Line Office RA contacts when monthly WIP process is complete**

✦ **Line Office users can:**

➢ **View summary agreement status on RADG002**

➢ **View RADG008 WIP Results History Screen**

» **By project and FCFY**

➢ **Print copies of bills from AR002 Bills Screen**

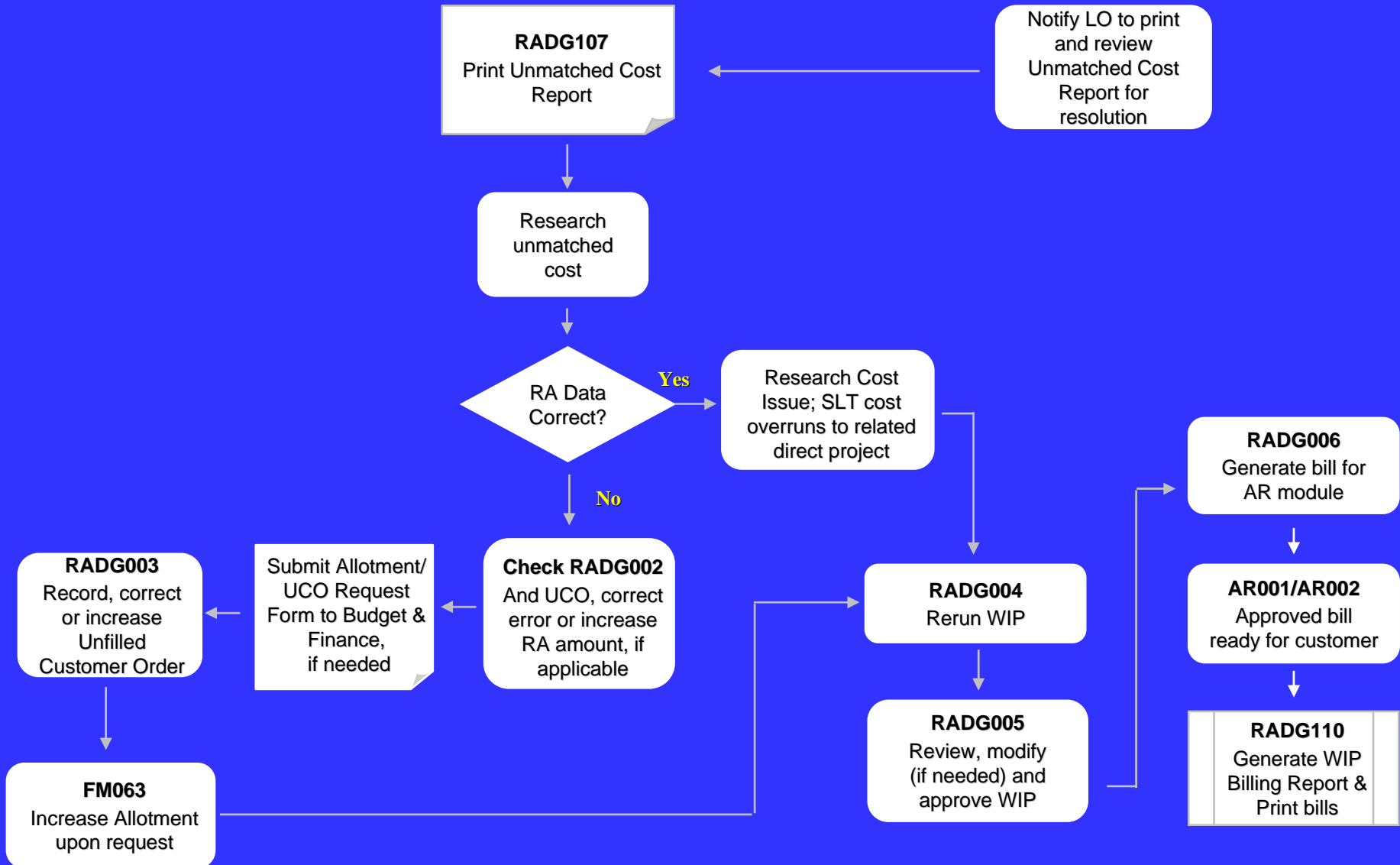➢ **Print RADG107 Unmatched Cost Report**

Unmatched Cost Process

Unmatched Cost Process

Budget Office   **Line Office**   **Finance Office**

RADG107
Print Unmatched Cost Report

Notify LO to print and review Unmatched Cost Report for resolution

Research unmatched cost

RA Data Correct?

Yes → Research Cost Issue; SLT cost overruns to related direct project

No

RADG003
Record, correct or increase Unfilled Customer Order

Submit Allotment/ UCO Request Form to Budget & Finance, if needed

Check RADG002
And UCO, correct error or increase RA amount, if applicable

RADG004
Rerun WIP

RADG006
Generate bill for AR module

AR001/AR002
Approved bill ready for customer

FM063
Increase Allotment upon request

RADG005
Review, modify (if needed) and approve WIP

RADG110
Generate WIP Billing Report & Print bills

24

Researching Unmatched Costs

✦ **Resources For Identifying Unmatched Costs**
- ➢ **RADG107 Unmatched Cost Report**
  - » **Provides unmatched cost totals by project**
- ➢ **RADG002 Agreements Screen &**
- ➢ **RADG102 Reimbursable Agreements History Report**
  - » **Confirm agreements are entered, approved, and active**
- ➢ **RADG003 Unfilled Customer Order Screen &**
- ➢ **RADG108 Unfilled Customer Orders by POP Report**
  - » **Confirm orders are entered and approved**
- ➢ **Data Warehouse Reports &**
- ➢ **Discoverer Queries**
  - » **Research accrued cost transactions**

25

Resolving Unmatched Costs

- ✦ **If RADG002 Agreement is not recorded or incorrect**
  - ➢ **Enter or correct RADG002 transaction**

- ✦ **If RADG003 is not recorded or incorrect**
  - ➢ **Ensure forms were sent to Budget Execution**
  - ➢ **Contact Budget Execution to record RADG003**

- ✦ **If costs were charged to project erroneously**
  - ➢ **Contact Finance to correct payment transaction**

- ✦ **If accrued costs exceed agreement/order amount**
  - ➢ **Request additional funding from Customer –or-**
  - ➢ **SLT unmatched costs to related direct project**

Reimbursable Carryover Process

Carryover Process for FY 2006

- ✦ **Budget Execution recorded carryover allotments in October**
    - ➢ **Fund 06 (multi-year advances) -- Based on cash balances at the end of the the fiscal year and Period of Performance end dates on agreements**
        - » **Cash query provided by Finance at fiscal year end**
    - ➢ **Fund 07 (non-advance) -- Based on the balance of funding authority remaining at the end of the fiscal year and Period of Performance end dates dates on agreements**
        - » **Budget recorded 80% of first quarter estimate**

- ✦ **Finance ran automated carryover process in December for Fund 07**
    - ➢ **Calculates and records UCO and advance balances in FY 2006**
    - ➢ **Prior year UCO balances based on UDO balances by FCFY**
    - ➢ **Automated Carryover will be run for Fund 06 in February**

- ✦ **Adjustments to estimated carryover allotments will be made as necessary**
    - ➢ **Spreadsheets with carryover results will be forwarded to Budget Execution Execution and Line Offices as carryover order and advance transactions are posted**

- ✦ **Carryover for Reimbursable Sales/Fixed Fee Projects will continue to be calculated and recorded manually**

System Carryover Calculation

✦ **Automated process calculates carryover by agreement and order as follows:**

➢ **Orders are recorded by FCFY**

Total Unfilled Customer Order Amount

-   Billed Amount

-   Unreleased Cost (allocated/not yet billed)

-   Unliquidated Obligations (UDOs)

-   <u>Unallocated Cost (accrued/not yet billed)</u>

=   Order Balance Available for Carryover

✦ **Advance carryover amounts are calculated the same as orders, using the using the cumulative advance amount as the starting point**

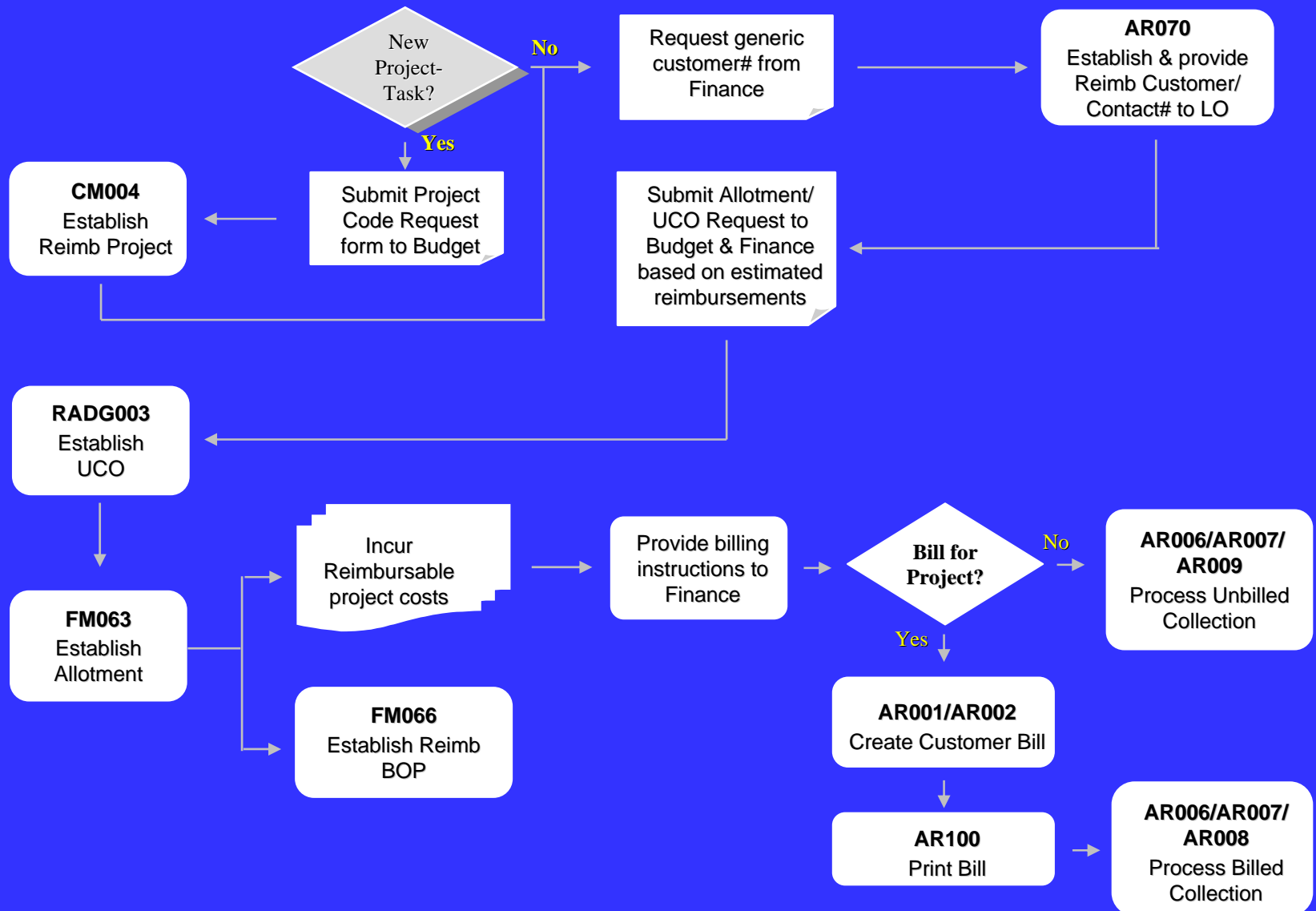✦ **Agreements with expired period of performance end dates are ineligible ineligible for carryover**

Reimbursable Sales/Fixed Fee Process

Reimbursable Sales/Fixed Fee Process

Budget Office   **Line Office**   **Finance Office**

New Project-Task? — No → **Request generic customer# from Finance** → **AR070** Establish & provide Reimb Customer/Contact# to LO

Yes ↓

Submit Project Code Request form to Budget → **CM004** Establish Reimb Project

Submit Allotment/UCO Request to Budget & Finance based on estimated reimbursements

RADG003 Establish UCO

FM063 Establish Allotment

Incur Reimbursable project costs → **Provide billing instructions to Finance** → **Bill for Project?**

No → **AR006/AR007/AR009** Process Unbilled Collection

Yes ↓

AR001/AR002 Create Customer Bill

FM066 Establish Reimb BOP

AR100 Print Bill → **AR006/AR007/AR008** Process Billed Collection

Where To Go for Reimbursable Help?

✦ **CBS Help Desk**

   ➢ **Client Services   301-427-1023   clientservices@noaa.gov**

✦ **Reimbursable process flow, documentation, or forms**

   ➢ **CBS Web Site   www.corporateservices.noaa.gov/~cbs**

   ➢ **CBS Reimbursable User Guide**

✦ **Questions related to unfilled customer orders or allotments**

   ➢ **Budget Execution contact**

✦ **Questions related to billing or collection**

   ➢ **Finance Office via your Line Office**

Questions
&
Discussion